

**RESOLUTION OF THE CITY OF GREENVILLE, ILLINOIS
IN SUPPORT OF CONTINUED OPERATION OF
THE COFFEEN POWER STATION**

WHEREAS, the Coffeen Power Station (“Coffeen Plant”), owned by Dynegy, Inc., is a 2-unit, 915-megawatt electric capacity, coal-fueled electric generating station that is located approximately 16 miles from the City of Greenville; and

WHEREAS, Unit 1 of the Coffeen Plant went into operation in 1965 and Unit 2 went into operation in 1972; and

WHEREAS, the Coffeen Plant has been a reliable supplier of electric power and energy to consumers in downstate Illinois for over 50 years; and

WHEREAS, flue-gas desulfurization equipment has been installed at the Coffeen Plant, requiring an investment of well over \$650 million, in order to enable it to continue to burn coal as a fuel in an environmentally-friendly manner in compliance with State of Illinois and Federal environmental regulations; and

WHEREAS, the Coffeen Plant employs approximately 150 employees, has an annual payroll of approximately \$17 million, and has an estimated annual economic impact of approximately \$388 million in its local market area which includes Bond, Montgomery, Fayette, Macoupin and Sangamon Counties, and encompasses the City of Greenville; and

WHEREAS, the employment, payroll, and other transactions of and for the Coffeen Plant support numerous businesses and their employment of residents in the Coffeen Plant’s local market area, which includes Bond County and the City of Greenville; and

WHEREAS, due its proximity to the City of Greenville, the Coffeen Plant has provided and continues to provide well-paying employment opportunities for residents of the City of Greenville and surrounding areas; and

WHEREAS, the operation of the Coffeen Plant provides significant economic benefits to citizens and businesses in its surrounding market area, which includes Bond County and the City of Greenville; and

WHEREAS, the operations of the Coffeen Plant, including the salaries and wages paid to employees and the Retailers’ Occupation Taxes and Use Taxes paid to the State of Illinois on purchases made by and for the Coffeen Plan, provide significant tax revenues to the State; and

WHEREAS, closure or shutdown of one or both generating units at the Coffeen Plant would result in the loss of a significant number of well-paying jobs to residents in its market area, including the City of Greenville, and would result in serious adverse economic impacts to the market area, including Bond County and the City of Greenville; and

WHEREAS, Dynegy, Inc., the owner of the Coffeen Station has stated that Coffeen Plant is one of several power generating stations located in Central and Southern Illinois that may be operating on a negative cash flow basis and are in danger of retirement or shutdown due to inadequate prices and revenues being available for the provision of electric generating capacity in downstate Illinois; and

WHEREAS, Dynegy, Inc. has stated that current prices for electric capacity available to

power generating stations in downstate Illinois are inadequate to support continuing operations, due to a flawed capacity market structure in the Midcontinent Independent System Operator, or “MISO”, transmission region; and

WHEREAS, market structure changes that would address the flawed capacity market structure in the MISO transmission region of Illinois and support the continued operation of the Coffeen Plant have been introduced in the Illinois General Assembly, as Senate Bill 2250 and House Bill 4141; and

WHEREAS, the General Assembly and the Governor of this State have recently enacted a massive subsidy program to support the continued operation and prevent closure of two Exelon generating station, one of which is located in far northwestern Illinois, and which program is paid for by additional monthly charges on the electric bills of customers of Ameren Illinois Company, including residents and businesses in the City of Greenville, but the General Assembly and the Governor have failed to take actions to support the continued operation of the Coffeen Plant and other reliable coal-fueled generating stations located in downstate Illinois; and

WHEREAS, the General Assembly and the Governor have also enacted legislation establishing a “renewable portfolio standard” which requires that electric utilities, including Ameren Illinois Company, enter into long-term contracts to make payments to new wind generating facilities and solar generating facilities, which are paid for by additional charges to these utilities’ customers, including residents and businesses in the City of Greenville, but the General Assembly and the Governor have failed to act to support the continued operation of the Coffeen Plant and other reliable coal-fueled generating stations located in downstate Illinois; and

WHEREAS, the Illinois Commerce Commission is currently conducting workshops for the purpose of reviewing and analyzing electric generating resource adequacy issues in the MISO transmission region of Illinois, including policy options with may be necessary or appropriate to address flaws in the MISO capacity market structure in Illinois that may, if not adequately addressed, lead to the retirement or shutdown of existing power generation plants in the MISO transmission region in Central and southern Illinois, including the Coffeen Plant;

NOW BE IT THEREFORE RESOLVED by the City Council of the City of Greenville, acting in open session, that the City of Greenville supports the continued operation of the Coffeen Power Station and further supports exercise of all necessary and appropriate legislative and administrative policy initiatives which will facilitate and support the continued operation of the Coffeen Power Station; and

BE IT FURTHER RESOLVED that the Illinois Commerce Commission should consider, evaluate, recommend and report to the General Assembly and the Governor of the State of Illinois on all necessary and appropriate legislative and administrative policy initiatives which will facilitate and support the continued operation of the Coffeen Power Station; and

BE IT FURTHER RESOLVED that the Illinois General Assembly, in its Spring 2018 Session, should assign the highest legislative priority to addressing the concerns expressed in this Resolution relating to the potential retirement or shutdown, and the adoption of necessary legislation which will facilitate the continued operation, of the Coffeen Power Station.

PRESENTED, APPROVED AND RESOLVED by the City Council of the City of Greenville, Illinois, at its January 9, 2018 A.D. meeting.

Dated this 9th day of January, 2018 A.D.

Alan Gaffner
Mayor